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4060 must be filed on or before the 15th day of the second month following the period being reported.

Subpart F—Coal [Reserved]

**Subpart G—Other Solid Minerals
[Reserved]**

**Subpart H—Geothermal
Resources [Reserved]**

Subpart I—Indian Land [Reserved]

**PART 217—AUDITS AND
INSPECTIONS**

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Subpart B—Oil and Gas, General

Sec.

217.50 Audits of records.

217.51 Lease account reconciliation.

217.52 Definitions.

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217.200 Audits.

Subpart F—Other Solid Minerals

217.250 Audits.

Subpart G—Geothermal [Reserved]

Subpart H—Indian Lands [Reserved]

AUTHORITY: 35 Stat. 312; 35 Stat. 781, as amended; secs. 32, 6, 26, 41 Stat. 450, 753, 1248; secs. 1, 2, 3, 44 Stat. 301, as amended; secs. 6, 3, 44 Stat. 659, 710; secs. 1, 2, 3, 44 Stat. 1057; 47 Stat. 1487; 49 Stat. 1482, 1250, 1967, 2026; 52 Stat. 347; sec. 10, 53 Stat. 1196, as amended; 56 Stat. 273; sec. 10, 61 Stat. 915; sec. 3, 63 Stat. 683; 64 Stat. 311; 25 U.S.C. 396, 396a-f, 30 U.S.C. 189, 271, 281, 293, 359. Interpret or apply secs. 5, 5, 44 Stat. 302, 1058, as amended; 58 Stat. 483-485; 5 U.S.C. 301, 16 U.S.C. 508b, 30 U.S.C. 189, 192c, 271, 281, 293, 359, 43 U.S.C. 387, unless otherwise noted.

**Subpart A—General Provisions
[Reserved]**

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Subpart B—Oil and Gas, General

AUTHORITY: The Federal Oil and Gas Royalty Management Act of 1982 (30 U.S.C. 1701 *et seq.*).

SOURCE: 49 FR 37345, Sept. 21, 1984, unless otherwise noted.

§ 217.50 Audits of records.

The Secretary, or his/her authorized representative, shall initiate and conduct audits relating to the scope, nature and extent of compliance by lessees, operators, revenue payors, and other persons with rental, royalty, net profit share and other payment requirements on a Federal or Indian oil and gas lease. Audits also will relate to compliance with applicable regulations and orders. All audits will be conducted in accordance with the notice and other requirements of 30 U.S.C. 1717.

§ 217.51 Lease account reconciliation.

Specific lease account reconciliations shall be performed with priority being given to reconciling those lease accounts specifically identified by a State or Indian tribe as having significant potential for underpayment.

§ 217.52 Definitions.

Terms used in this subpart shall have the same meaning as in 30 U.S.C. 1702.

**Subpart C—Oil and Gas, Onshore
[Reserved]**

**Subpart D—Oil, Gas and Sulfur,
Offshore [Reserved]**

Subpart E—Coal

§ 217.200 Audits.

An audit of the accounts and books of operators/lessees for the purpose of determining compliance with Federal lease terms relating to Federal royalties may be required annually or at other times as directed by the Associate Director for Royalty Management. The audit shall be performed by a qualified independent certified public accountant or by an independent public accountant licensed by a State, territory, or insular possession of the

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United States or the District of Columbia, and at the expense of the operator/lessee. The operator/lessee shall furnish, free of charge, duplicate copies of audit reports that express opinions on such compliance to the Associate Director for Royalty Management within 30 days after the completion of each audit. Where such audits are required, the Associate Director for Royalty Management will specify the purpose and scope of the audit and the information which is to be verified or obtained.

[47 FR 33195, July 30, 1982. Redesignated at 48 FR 35641, Aug. 5, 1983]

Subpart F—Other Solid Minerals

§ 217.250 Audits.

An audit of the lessee's accounts and books may be made annually or at such other times as may be directed by the mining supervisor, by certified public accountants, and at the expense of the lessee. The lessee shall furnish free of cost duplicate copies of such annual or other audits to the mining supervisor, within 30 days after the completion of each auditing.

[37 FR 11041, June 1, 1972. Redesignated at 48 FR 35641, Aug. 5, 1983]

Subpart G—Geothermal [Reserved]

Subpart H—Indian Lands [Reserved]

PART 218—COLLECTION OF ROYALTIES, RENTALS, BONUSES AND OTHER MONIES DUE THE FEDERAL GOVERNMENT

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- 218.40 Assessments for incorrect or late reports and failure to report.
- 218.41 Assessments for failure to submit payment of same amount as Form MMS-2014 or bill document or to provide adequate information.
- 218.42 Cross-lease netting in calculation of late-payment interest.

Subpart B—Oil and Gas, General

- 218.50 Timing of payment.

- 218.51 How to make payments.
- 218.52 How does a lessee designate a Designee?
- 218.53 Recoupment of overpayments on Indian mineral leases.
- 218.54 Late payments.
- 218.55 Interest payments to Indians.
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- 218.57 Providing information and claiming rewards.

Subpart C—Oil and Gas, Onshore

- 218.100 Royalty and rental payments.
- 218.101 Royalty and rental remittance (naval petroleum reserves).
- 218.102 Late payment or underpayment charges.
- 218.103 Payments to States.
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- 218.105 Definitions.

Subpart D—Oil, Gas and Sulfur, Offshore

- 218.150 Royalties, net profit shares, and rental payments.
- 218.151 Rentals.
- 218.152 Fishermen's Contingency Fund.
- 218.153 [Reserved]
- 218.154 Effect of suspensions on royalty and rental.
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Subpart E—Solid Minerals—General

- 218.200 Payment of royalties, rentals, and deferred bonuses.
- 218.201 Method of payment.
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Subpart F—Geothermal Resources

- 218.300 Payment of royalties, rentals, and deferred bonuses.
- 218.301 Method of payment.
- 218.302 Late payment or underpayment charges.

Subpart G—Indian Lands [Reserved]

AUTHORITY: 25 U.S.C. 396 *et seq.*, 396a *et seq.*, 2101 *et seq.*; 30 U.S.C. 181 *et seq.* 351 *et seq.*, 1001 *et seq.*, 1701 *et seq.*; 31 U.S.C.A. 3335; 43 U.S.C. 1301 *et seq.* 1331 *et seq.*, 1801 *et seq.*

Subpart A—General Provisions

§ 218.10 Information collection.

The information collection requirements contained in this part have been approved by OMB under 44 U.S.C. 3501